

Senate Bill 972

California Health Benefit Exchange: Board: Membership

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SUMMARY

Senate Bill 972 would increase the number of board members from 5 to 7, with the 2 additional board members being appointed by the Governor. The bill would also add marketing of health insurance products, information technology system management, management information systems, and consumer service delivery research and best practices to the list of areas of expertise.

BACKGROUND

As Covered California evolves, the makeup of its board should reflect its needs. Various news reports, consumer complaints and even Covered California's own staff reports indicate there is a need to improve customer service, marketing strategy, technology management and management information systems. Enrollment of Latino, African American and young consumers has fallen short of what is needed. Inadequate planning, website glitches, technical problems and a lack of cultural and linguistic competence have hampered Covered California's ability to enroll these consumers and provide quality customer service.

Latinos in particular are an important population that Covered California has not enrolled in adequate numbers. Latinos make up 58% of the state's uninsured but only 22% of those that have enrolled in a plan through February. Even worse, less than 5% of the eligible Latino population has actually enrolled. Latinos are also the youngest and healthiest demographic in the target market. For the economics of the exchange to work, more young and healthy people must enroll to balance the cost of insuring older and less healthy people. Therefore Covered California must reach more Latinos, particularly young Latinos, and help them enroll.

Various obstacles are making it difficult for Latinos and other consumers to sign up. According to a Covered California staff report, only 0.5% of calls into the hotline in December were answered within 30 seconds. In addition, 53% of incoming calls received a busy signal. It has been reported that the average wait time for exchange callers was 47 minutes at the end of February.

It has been reported that more than half of calls to Covered California's hotline are abandoned. During the first four months of enrollment no online application was available in Spanish or in any language other than English. Statewide, Covered California certified only 5,100 enrollment counselors, many of them recently—an insufficient number to meet demand.

Covered California has had some success in enrolling subsidy-eligible and older consumers whose primary language is English. As Covered California works to transition into an organization that is better prepared to improve the consumer experience and enroll harder to reach populations, young consumers and non-English speakers, additional expertise, leadership capacity, and oversight is needed.

SB 972 will help increase oversight of Covered California operations by expanding its board of directors from five to seven members. It will also broaden the scope of qualifications to include expertise in marketing of health insurance products, information technology system management, management information systems, and consumer service delivery research and best practices.

SUPPORT

California Legislative Latino Caucus
Latino Coalition for a Healthy California

STATUS

Introduced February 10, 2014.

CONTACT

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